

OLL 84-1206
23 March 1984

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MEMORANDUM FOR: General Counsel
Deputy General Counsel

FROM:

Chief, Legislation Division
Office of Legislative Liaison

STAT

SUBJECT: S. 2446, the "Senate Confirmation Act of 1984"

1. Attached for your review and consideration is S. 2446, the Senate Confirmation Act of 1984. This bill was introduced on 19 March 1984 by Senator Minority Leader Byrd in response to the events surrounding Edwin Meese's confirmation before the Senate Judiciary Committee. A copy of Senator Byrd's introductory statement also is attached for your review.

2. S. 2446 is designed to achieve two goals. First, it would transfer responsibility for assuring the completeness and integrity of background investigations of Executive Branch appointees requiring Senate confirmation from the White House to the Office of Government Ethics (OGE). This is accomplished through amending section 402(a) of the Ethics in Government Act of 1978 (hereinafter the "Act"), to provide that the Director of OGE, under the supervision of the Office of Personnel Management, will establish overall direction of Executive Branch policy relating to the coordination and conduct of background investigations. This Act is further amended to provide that OGE will develop, in coordination with the Attorney General, standards and procedures to be utilized in conducting such background investigations. S. 2446 also provides that all information developed and obtained during the course of such background investigations must be transmitted not only to the President, but also to the Senate.

3. The bill's second purpose is to require, in the event that a President is reelected to a second term, that he resubmit to the Senate for confirmation each individual he wishes to retain in office who has served in a position requiring Senate confirmation for the last year of a Presidential term. The bill essentially requires that if the President desires the same department head to serve in the same position during the President's second term, then the original process of confirmation must be duplicated.


4. We do not expect that this bill will be favorably acted upon by the Senate, but will keep you apprised of any further developments in this regard.




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Attachment

DISTRIBUTION:

Original - Addressees
✓ 1 - OLL Chrono
1 - LEG File: Ethics in Government Act (Permanent)
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STAT

 (23 March 1984)

STAT

98TH CONGRESS
2D SESSION

S. 2446

To amend the Ethics in Government Act of 1978 to insure that all relevant information bearing upon a nominee's fitness and qualifications is made available to the United States Senate in cases where the Senate is required to give its advice and consent, and to require reappointment and reconfirmation during a President's second consecutive term.

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1984

Mr. BYRD introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To amend the Ethics in Government Act of 1978 to insure that all relevant information bearing upon a nominee's fitness and qualifications is made available to the United States Senate in cases where the Senate is required to give its advice and consent, and to require reappointment and reconfirmation during a President's second consecutive term.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Senate Confirmation Act
4 of 1984".

1 SEC. 2. (a) Section 402(a) of the Ethics in Government
2 Act of 1978 (Public Law 95-521) is amended to read as
3 follows:

4 "SEC. 402. (a) The Director shall provide, under the
5 general supervision of the Office of Personnel Management,
6 overall direction of executive branch policies related to—

7 "(1) preventing conflicts of interest on the part of
8 officers and employees of any executive agency, as de-
9 fined in section 105 of title 5, United States Code; and

10 "(2) the coordination and conduct of background
11 investigations, and the transmittal to the President or
12 his designee, or to the President-elect or his designee,
13 and to the Senate, of all information bearing upon the
14 fitness and qualifications of officers of the United
15 States who are required by law to be appointed with
16 the advice and consent of the Senate."

17 (b) Section 402(b) of such Act is amended (1) by striking
18 out the word "and" at the end of paragraph (14); (2) by
19 striking out the period at the end of paragraph (15) and in-
20 serting in lieu thereof a semicolon; and (3) by adding at the
21 end thereof the following new paragraphs:

22 "(16) developing and recommending to the Office
23 of Personnel Management, in consultation with the At-
24 torney General, rules and regulations to be promulgat-

1 ed by the President or the Office of Personnel Manage-
2 ment establishing—

3 “(A) standards and procedures for the con-
4 duct of background investigations of officers of the
5 United States who are required by law to be ap-
6 pointed with the advice and consent of the
7 Senate, including the nature and type of informa-
8 tion to be ascertained and the assignment and co-
9 ordination of investigative responsibilities;

10 “(B) procedures for the transmittal to the
11 President or his designee, or to the President-
12 elect or his designee, and to the Senate, of all in-
13 formation bearing upon the fitness and qualifica-
14 tions of such officers; and

15 “(17) obtaining and transmitting to the President
16 or his designee, or to the President-elect or his desig-
17 nee, all information bearing upon the fitness and quali-
18 fications of all officers of the United States who are re-
19 quired by law to be appointed with the advice and con-
20 sent of the Senate. All such information obtained and
21 transmitted to the President or his designee, or to the
22 President-elect or his designee, shall be transmitted to
23 the Senate with respect to—

1 “(A) any appointee to an office listed in sec-
2 tions 5312 and 5313 of title 5, United States
3 Code; and

4 “(B) any other appointee who is required by
5 law to be appointed by the President, by and with
6 the advice and consent of the Senate, upon re-
7 quest by the Senate or by any committee thereof
8 having jurisdiction with respect to such appoint-
9 ment.”.

10 SEC. 3. (a) Notwithstanding any other provision of law,
11 no person who—

12 (1) is an appointee to a position listed in section
13 5312 of title 5, United States Code, or to the position
14 of Secretary of the Air Force, Secretary of the Army,
15 Secretary of the Navy, Director of the Bureau of the
16 Budget, Director of Central Intelligence, or Director of
17 the Arms Control and Disarmament Agency; and

18 (2) has served in such position for the last year of
19 a Presidential term,
20 may serve in the same position during the next succeeding
21 Presidential term unless and until such person is reappointed
22 to such position, by and with the advice and consent of the
23 Senate.

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CONGRESSIONAL RECORD — SENATE

March 19, 1964

of its paragraphs particularly caught my attention:

Despite his successes, his name was not nearly so well known to the general public as many of the other principal actors in social and legislative revolution of the 1960's.

Mr. Mitchell, as the chief Washington lobbyist for the National Association for the Advancement of Colored People for nearly three decades, and as a leader of the Leadership Conference on Civil Rights, was instrumental in the passage of every major civil rights law enacted in this country since the 1960's.

Whether or not one always agreed with the advice he urged, one could not help but admire Clarence Mitchell, Jr. I admired him. I admired his commitment to the causes he served. I admired his faithfulness to the orderly processes of our democratic system.

I extend my sincere condolences to his wife, Juanita Mitchell, to his sons, and to his grandchildren, of whom he was greatly proud.

SENATE SCHEDULE

Mr. BAKER. Mr. President, as Members know, when the opening formalities are dispensed with today and after the time for the transaction of routine morning business has expired, the Senate will return to the consideration of the unfinished business, Senate Joint Resolution 73, the prayer amendment. A time certain has now been established for a vote on that resolution at 3 o'clock tomorrow, Tuesday.

In the meantime, if there is not a need for debate during the entire course of today, I should like to urge the Senate to proceed to the consideration of the wheat improvement bill. It would require unanimous consent to do that on a temporary basis. We had difficulty with that on Thursday, and we were not able to obtain unanimous consent for that purpose. But I say to the minority leader that I should like to examine once more the possibility of proceeding to the consideration of that bill today, for a period of, say, not more than 3 hours, and then to return to the consideration of the prayer amendment. It may not be possible to do that, but I think it is worth another try.

Mr. President, in addition, it might be well to explore the schedule for the rest of the week. I have not yet had an opportunity to consult with the minority leader, but I have had an opportunity to consult with the distinguished chairman of the Appropriations Committee and the distinguished Senator from Missouri (Mr. DANFORTH). I have notified them of what I am about to say now.

The original schedule had contemplated returning to the reciprocity tariff bill after we finished the prayer amendment. Members will recall that we were on that measure and it was returned to the calendar when we were

not able to complete our disposition of it. Rather than that, I suggest that it is important that we try to reach the supplemental appropriations bill, which contains food aid money, Public Law 480 money, and a number of other items of an important character.

So, Mr. President, this morning, I consulted with the Senator from Missouri (Mr. DANFORTH), and he assures me that he understands the necessity for a try to reach that bill instead of the Reciprocity Trade Act, pending debate on the prayer amendment.

I have talked to Senator HATFIELD, the chairman of the Appropriations Committee, who indicates his willingness to go forward with that bill after we finish the prayer amendment.

I have not had a chance yet to confer with the minority leader on that, but I should like to let him know that the preference of the leadership on this side would be to go to the supplemental appropriations bill after we finish the prayer amendment. I have an idea that that may be a controversial bill, since aid for El Salvador and Nicaragua is in it, but there are a number of other things, also. I hope we can take up the supplemental appropriations bill and finish Tuesday afternoon. But, like many of my legislative hopes, that one probably is prompted more by optimism than reality.

So, if we do not finish that bill on Tuesday afternoon, we will be on it Wednesday or Thursday or goodness knows how long. But it is important to do that.

I say to the minority leader that I apologize to him for not having consulted with him in advance on it, but I wanted to let him know at the first opportunity that that would be the wish of the leadership on this side.

Mr. President, there is one other matter we can deal with this week—it is of a privileged character—and that is a veto message on a water bill. I will consult with the minority leader on that, as well, but the leadership on this side would like to schedule that matter this week, perhaps early this week. I understand that going to that veto message would not put the pending business back on the calendar.

I inquire of the Chair if that is correct.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BAKER. That was my impression. So it could be done absent unanimous consent, without disrupting our schedule, but I would not propose to do that. I will negotiate with the minority leader with respect to a convenient time.

Today, a number of Members are absent. Tomorrow is another primary day. It may not be a good day, but we will see.

In any event, I will add that to the things that the leadership on this side would like to accomplish this week, if possible.

Mr. BYRD. Mr. President, will the distinguished majority leader yield for a question?

Mr. BAKER. I yield.

Mr. BYRD. What can the majority leader tell us with respect to the major science bill, what the prospects are for it being brought up soon?

Mr. BAKER. Mr. President, I say the minority leader that the preliminary scheduling of legislation for the Senate, which I discussed with him some time ago, provided for the major science bill in the last week of the month, which would be the latter part of next week.

We are sort of falling behind now. So I will consult with the committee chairmen tomorrow at our regular meeting and see what we can rearrange. But that is still a bill that must be taken up, and I anticipate it will be dealt with before very long.

Mr. BYRD. I thank the distinguished majority leader, and I am pleased that he indicates that he still has this item very much in mind for early action.

Mr. BAKER. Yes.

Mr. President, may I also say to one matter that I did not mention, and I guess I should, is that at some point we are going to have to deal with the budget situation and reconciliation bill that was scheduled for March 5. Obviously, we did not get to that. But sometime after we can confer on that matter, it would be my intention to bring up the reconciliation bill also.

That will probably produce a debate of major proportions, particularly in light of the President's proposal joined in by the Republican leadership of the Senate on the budget reduction package.

While I do not know if it is possible that might be offered to the reconciliation bill, it might, since it is certainly budget related.

But I will try to have more to say about that also at a later time.

Mr. President, I have used all of my time and I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

S. 2446—SENATE CONFIRMATION ACT

THE MEESE NOMINATION

Mr. BYRD. Mr. President, according to press reports, the Department of Justice will be conducting an investigation to determine whether an independent counsel should be appointed to investigate the financial activities of the President's nominee for Attorney General, Edwin Meese III.

The decision to conduct that inquiry is to be commended, but its implications are troublesome.



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Na. 32

Senate

The Senate met at 12 noon and was called to order by the Honorable DANIEL J. EVANS, a Senator from the State of Washington.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

I will bless the Lord at all times: His praise shall continually be in my mouth. My soul shall make her boast in the Lord. . . . O magnify the Lord with me, and let us exalt His name together.—Psalm 34: 1-3.

Thou art worthy of our praise, O Lord. May we not neglect to honor Thee, to exalt Thee, to magnify Thy name. "Thou hast made us for Thyself, O God, and our hearts are restless until they repose in Thee." (St. Augustine) God of grace and love, these words of the eminent theologian, St. Augustine, remind us of our lostness, our loneliness, our emptiness without Thee. Save us, Lord, from indifference to Thee and lead us in the way of truth and justice. In the name of Him who loved us and gave Himself for us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 19, 1984.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL J. EVANS, a Senator from the State of Washington, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. EVANS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATOR THURMOND ANNOUNCES CANDIDACY FOR REELECTION

Mr. BAKER. Mr. President, it would not be inappropriate, I think, to call the attention of our colleagues to the fact that the distinguished President pro tempore is not here today, where he usually is, almost without exception, at the opening of the Senate. The presiding duties have fallen to the distinguished junior Senator from Washington.

The President pro tempore, Senator THURMOND, is doing a very important thing today. He is in the State of South Carolina, announcing his candidacy for reelection. It has not yet been ascertained that anyone has worked up the courage to run against him. In any event, he is there and announcing today for reelection, and I am sure all of us understand the reason for his absence.

DEATH OF CLARENCE MITCHELL

Mr. BAKER. Mr. President, it was with sadness that I learned of the death this weekend of Clarence Mitchell, a distinguished leader in the civil rights community, whose service to the Nation has been great and whose presence will be missed in the future deliberations and conscience of this country.

My own career in the Senate had barely begun when Clarence Mitchell achieved one of his greatest legislative triumphs—the passage of the Fair Housing Act of 1968.

There was no more controversial domestic issue in that controversial year, and I recall today with fondness and admiration that Clarence Mitchell fought for that legislation with both the force of a hurricane and the grace of a nobleman.

I voted for the Fair Housing Act because I believed in it, but there was in that vote more than a trace of tribute to this great soldier in the cause of justice.

In those days, Clarence Mitchell was called the 101st Senator, but those of us who served here then knew full well that this magnificent lion in the lobby was a great deal more influential than most of us with seats in the Chamber.

Five decades of talented service yielded an enormous harvest for Clarence Mitchell, not in terms of material wealth but in terms of the moral health of this Nation.

Clarence Mitchell helped persuade President Truman to desegregate our Armed Forces in the late 1940's.

Clarence Mitchell helped persuade the Congress to enact this century's first civil rights act in the 1950's.

Clarence Mitchell, at the height of his powers and influence, helped persuade the Congress to establish the Civil Rights Commission in 1961 and to enact the second Civil Rights Act of 1968.

These are only the most celebrated achievements of a lifetime of achievement by one of the quiet giants of our age.

We mourn his passing today, but we will celebrate his enormously useful life for years to come.

CLARENCE M. MITCHELL, JR.

Mr. BYRD. Mr. President, last night, Clarence M. Mitchell, Jr., one of our foremost citizens, died in his home town of Baltimore, Md.

Today's Washington Post carried a full and fully deserving obituary. One

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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CONGRESSIONAL RECORD — SENATE

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The facts which gave rise to the Justice Department's decision were developed, for the most part, through the efforts and perseverance of Senator HOWARD METZENBAUM and other Senators on the Judiciary Committee. We are grateful for their efforts.

The constitutional requirement that the Senate assess the qualifications of Presidential appointees to high office will, thanks to Senator METZENBAUM and these other Senators, be fulfilled. But it means also that the administration's own inquiry into the case was fatally flawed.

All of the new information which has been developed by Senator METZENBAUM and other Senators should have been ascertained by the administration before Mr. Meese's nomination was ever submitted to the Senate, and if the information was known to the White House, it should have been provided to the Senate before the confirmation process began.

This is not a partisan political issue. It is a fundamental institutional issue.

The present state of affairs is simply not good government. It undermines respect for the system and it reinforces the cynicism of that portion of the American electorate which is frequently ready to believe that the "fix" is always in.

The problem is not new. It is not new to this administration.

William Casey was confirmed for the position of Director of the Central Intelligence in January 1981. Less than 6 months later the Senate Intelligence Committee which had handled his confirmation was forced to conduct an investigation into Mr. Casey's financial affairs, in the face of new information which should have been, but never was, submitted to the Senate Intelligence Committee prior to the nomination, certainly prior to that committee's action on the nomination.

Ray Donovan, who was confirmed for the position of Secretary of Labor in 1981, was later the subject of an extensive investigation by a special prosecutor when it was discovered that serious charges about his background had neither been investigated nor communicated to the Senate.

And it has happened in Democratic administrations as well, the Bert Lance case being the most recent example that comes to mind.

So this is not just a Republican or a Democratic issue, in spite of those who in the administration wish to find a scapegoat in the constitutional process under which the Senate is required to give its advice and consent on nominations. It is an institutional problem.

I first called attention to this problem almost 9 months ago when in connection with the Donovan case I said that the constitutional responsibilities under article II, "Can be fairly and faithfully discharged only if we have the facts upon which to make an informed judgment."

I noted then that my concern went beyond the particular case that was before us at that time.

My concern, I said, "Is an institutional concern and reflects what I see as a need for immediate and effective steps to insure that these kinds of situations will not be allowed to recur."

My concern then and now involves the necessity to protect the integrity of the confirmation process and also to insure that we are adequately fulfilling our constitutional role of advising and consenting to the appointments of the top officials who govern us as a nation.

The problem about which I expressed concern at that time has not gone away. It has come back to haunt us.

I am today introducing legislation that will achieve two goals: First, it would remove from the White House the responsibility for assuring the thoroughness and integrity of background investigations. It would place that responsibility and accountability in the hands of an objective and impartial office of government, namely the Office of Government Ethics.

It would be the Director of that office who would be assigned the responsibility of designing the standards of fitness which are to be applied in determining the qualifications of nominees for high office.

It would be the duty and responsibility of that official also to make sure not only that all relevant information is acquired for the White House, but also that it be transmitted to the Senate as well. The Senate is entitled to all the facts that are developed in the course of such investigations.

And in addition to these two elements, I have decided to add a "fail-safe" provision, and it is designed to cover the situation where despite our best efforts, something slips through the crack and we do not discover an otherwise disqualifying new piece of information until after the Senate has voted to confirm a nominee. We all know that the Senate has no constitutional removal power short of impeachment after a nominee is confirmed.

Mr. President, we should have, and when I say "we," I am talking about the Senate and not necessarily myself, but the Senate should have the power to reexamine a Cabinet Member's qualifications in the event a President is reelected and wants to keep the same high official in place. This "fail-safe" provision would require that in the event a President is reelected to a second term, he must resubmit to the Senate for confirmation the name of every high official he wishes to keep in place. In other words, if the President wants the same department head to serve in the same position in the same President's second term, then the original process of confirmation should be duplicated.

In that event, the Senate would have another "bite at the apple" and be

able to base a confirmation decision upon new information which may have surfaced subsequent to the original confirmation proceedings and a new decision based upon the track record of that particular nominee while serving in that particular office.

Again, I commend the Senator from Ohio (Mr. METZENBAUM) and other Senators on the Judiciary Committee for their steadfastness and their tenacity in pursuing the facts with respect to Mr. Meese.

The Senate and the Nation are in the debt of those Senators. Their efforts have focused the Senate's attention not only upon the conduct of this particular nominee but upon the need to insure the integrity of the entire nomination process.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2446

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Senate Confirmation Act of 1984".

SEC. 2. (a) Section 402(a) of the Ethics in Government Act of 1978 (Public Law 95-521) is amended to read as follows:

"Sec. 402. (a) The Director shall provide, under the general supervision of the Office of Personnel Management, overall direction of executive branch policies related to—

"(1) preventing conflicts of interest on the part of officers and employees of any executive agency, as defined in section 105 of title 5, United States Code; and

"(2) the coordination and conduct of background investigations, and the transmittal to the President or his designee, or to the President-elect or his designee, and to the Senate, of all information bearing upon the fitness and qualifications of officers of the United States who are required by law to be appointed with the advice and consent of the Senate."

(b) Section 402(b) of such Act is amended (1) by striking out the word "and" at the end of paragraph (14); (2) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a semicolon; and (3) by adding at the end thereof the following new paragraphs:

"(16) developing and recommending to the Office of Personnel Management, in consultation with the Attorney General, rules and regulations to be promulgated by the President or the Office of Personnel Management establishing—

"(A) standards and procedures for the conduct of background investigations of officers of the United States who are required by law to be appointed with the advice and consent of the Senate, including the nature and type of information to be ascertained and the assignment and coordination of investigative responsibilities; and

"(B) procedures for the transmittal to the President or his designee, or to the President-elect or his designee, and to the Senate, of all information bearing upon the fitness and qualifications of such officers; and

"(17) obtaining and transmitting to the President or his designee, or to the President-elect or his designee, all information bearing upon the fitness and qualifications

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of all officers of the United States who are required by law to be appointed with the advice and consent of the Senate. All such information obtained and transmitted to the President or his designee, or to the President-elect or his designee, shall be transmitted to the Senate with respect to—

"(A) any appointee to an office listed in sections 5312 and 5313 of title 5, United States Code; and

"(B) any other appointee who is required by law to be appointed by the President, by and with the advice and consent of the Senate,

upon request by the Senate or by any committee thereof having jurisdiction with respect to such appointment.

Sec. 3. (a) Notwithstanding any other provision of law, no person who—

(1) is an appointee to a position listed in section 5312 of title 5, United States Code, or to the position of Secretary of the Air Force, Secretary of the Army, Secretary of the Navy, Director of the Bureau of the Budget, Director of Central Intelligence, or Director of the Arms Control and Disarmament Agency; and

(2) has served in such position for the last year of a presidential term,

may serve in the same position during the next succeeding presidential term unless and until such person is reappointed to such position, by and with the advice and consent of the Senate.

Mr. BYRD. Mr. President, do I have any time remaining?

The ACTING PRESIDENT pro tempore. The Senator has 3 minutes remaining.

Mr. BYRD. I thank the Chair.

THE PANAMA CANAL TREATIES ARE PAYING OFF FOR THE UNITED STATES

Mr. BYRD. Mr. President, considerable public attention continues to be focused on the turmoil in Central America and how this turmoil threatens vital U.S. interests in the region.

The focus of this debate on Central America is directed primarily toward the problems of El Salvador, Honduras, Guatemala, and Nicaragua. Yet, one of the most remarkable success stories in the region is that of our friend Panama with whom we enjoy a close and mutually cooperative relationship.

It certainly should not be a secret to anyone as to why we enjoy the relationship we do today with Panama. It is due to the new Panama Canal Treaties which have been in place now for nearly 5 years.

The Panama Canal Treaties are paying exceptional dividends for the United States in a country which is an integral part of a region wracked by turmoil and instability. Had the United States not modernized its relationship with Panama through the negotiation and ratification of these treaties, the situation in that key country might be entirely different today.

As then Secretary of State Alexander Haig wrote me on July 3, 1982:

"Whatever might have occurred had the treaties not been executed, it is apparent now that the strong anti-U.S.

feelings which led to the riots of 1964 and to other disturbances in later years no longer exist."

Secretary Haig reported at that time that the canal was operating more efficiently than ever, passing larger and more ships and drawing greater revenues than ever before. The picture on revenues is not as rosy today as it was 2 years ago, as the world recession caught up with Panama.

The efforts of four Presidents, dating back to the administration of Lyndon Johnson—Mr. Nixon, Mr. Ford, and culminating during the administration of Jimmy Carter—have paid handsome dividends for the United States.

In addition, I believe the judgment of the U.S. Senate, when we voted to give our consent to the instruments of ratification of the new Panama Canal Treaties, has been vindicated. President Reagan has also demonstrated his wisdom in abiding by these treaties, even though he excoriated them during the time the Panama Treaties were being debated in the Senate.

Prior to 1979 when the new treaties were ratified, conditions could have provoked political turbulence directed at the United States. Yet, with the new treaties in place, a potential source for conflict between the United States and Panama has been removed.

It is important to point out that the United States enjoys the relationship it does with Panama today because our two countries solved our problems through diplomatic means. This achievement should serve as an example as to how critical our diplomatic agreements are in protecting the interests of the United States. I think it is fair to say, had it not been for the wisdom of our Government, we might be facing an entirely different situation in Panama today.

Within the broader context of Central America, it would behoove this administration to reevaluate how counterproductive its present militaristic policy in the region has been. Certainly, the new Panama Canal Treaties demonstrate the desirability of finding negotiated, rather than military solutions to problems.

Mr. President, I ask unanimous consent that the letter which was addressed to me by former Secretary of State Haig dated July 3, 1982, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, July 3, 1982.

DEAR BOB: Thank you for your letter of June 28 soliciting my views on the Panama Canal treaties which were ratified in 1978.

With respect to the protection of our strategic and commercial interests in the Panama Canal, under the Panama Canal Treaty the United States has primary responsibility for the defense of the Canal until the next century. During this period Panama has the right to participate in canal defense and our forces have access to and the right to use all land and water areas and

installations necessary for the defense of the Canal. After the Treaty expires, our military presence in Panama will cease unless an agreement has been reached providing for continued use of bases and installations. Further, it is my understanding that the Panama Canal Neutrality Treaty is of permanent duration and that nothing in it limits our freedom of action to do whatever we may consider necessary, in accordance with our constitutional processes, to maintain the Canal's neutrality.

As to the operations of the Canal under the new Treaty relationship, I can report that the Canal has been operating more efficiently than ever, passing larger and more ships and drawing greater revenues than ever before.

The questions regarding what would have happened to Panama if the United States had not negotiated and ratified the Treaties and whether or not Panama could have become an ally of the Soviet Union go far beyond my ability to hypothesize. Whatever might have occurred had the Treaties not been executed, it is apparent now that the strong anti-U.S. feelings which led to the riots of 1964 and to other disturbances in later years no longer exist.

With warm regards,

Sincerely,

ALEXANDER M. HAIG, Jr.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

REPUBLICAN DEFICIT REDUCTION PROPOSAL: A PANTY-WAIST WIMP

Mr. PROXMIRE. Mr. President, last Thursday, the President announced in the Rose Garden that he had agreed with Republican congressional leaders on a new budget. He called for a roughly \$150 billion reduction in the budget deficit the President himself submitted to the Congress a few weeks ago. Now a \$150 billion reduction in the deficit sounds pretty good. But wait a minute. That reduction would come over the next 3 years.

Mr. President, for any proposed reduction in the budget from any source the American people will shout their approval. Unfortunately, Mr. President, this Republican offering toward fiscal sanity is pitifully small, feeble, and anemic. It is the kind of reduction which the late Fred Allen would characterize as having the full force and power of a butterfly's hiccup. Do I exaggerate? It is just a butterfly's hiccup? How can I call it that when we are talking about a \$150 billion reduction?

I say that first because we are talking about 3 years—not 1 year. I say that because the most significant and assured consequence of proposed reductions comes in the first year. This is because we cannot bind a future Congress or a future President.

We can also not foretell what will happen to the economy by 1986 and 1987. It is easy for Members of the